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Remittances hit $3.4bn in October

• Inflows rise 9.3pc in first four months • Saudi Arabia, UAE remain top sources as govt eyes $40bn annual target

By Shahid Iqbal

KARACHI: The remittances sent by overseas Pakistanis reached a record high for the current fiscal year, climbing to $3.4 billion in October, according to data released by the State Bank of Pakistan (SBP) on Friday.

During the first four months of FY26, inflows rose 9.3 per cent year-on-year to $12.955bn, compared to $11.851bn in the same period last year — an increase of $1.1bn. October's remittances were 7.4pc higher than September's, offering encouragement to the government, which is targeting $40bn in total remittances by the end of the fiscal year.

The government has also announced plans to export more manpower overseas, though it did not specify the destination countries. Following improved diplomatic and defence ties with Saudi Arabia, observers expect a larger number of workers to head to Arab states.

Data show that Saudi Arabia, the UAE and other GCC countries accounted for $7.026bn of the total inflows during the July-October period of FY26. The largest contribution came from Saudi Arabia, with $3.32bn, marking a 7.1pc increase year-on-year. The UAE followed with $2.683bn, while GCC countries (excluding KSA and UAE) contributed $1.241bn.

The most notable growth came from European Union countries, where remittances surged 19.7pc to $1.737bn. Inflows from the EU surpassed those from the GCC and the United States, nearly matching the $1.856bn sent from the United Kingdom, which saw a 4.7pc increase.

Rising dependence

Pakistan's dependence on remittances continues to deepen as inflows now outpace export earnings. The country received $38.3bn in FY25 — the highest in two decades — which helped it achieve a modest current account surplus. However, that surplus was partly due to the rollover of over $16bn in debt servicing.

The current fiscal year presents an even steeper challenge, with $25bn in external debt repayments due. Analysts note that heavy debt obligations and a persistent trade deficit continue to prevent the government from leveraging strong remittance inflows to ease its external financing pressures.

Although the overall 9.3pc growth in remittances during the first four months trails the 34.7pc rise recorded in the same period last year, the October uptick has raised hopes that inflows could surpass last year's total.

Major airports up for privatisation

AKD Group joins bid for PIA

By Amin Ahmed

ISLAMABAD: The Board of Privatisation Commission on Friday took key decisions regarding the divestment of Pakistan International Airlines Corporation Ltd (PIACL) and the management of Islamabad, Lahore, and Karachi international airports.

The meeting, chaired by the Adviser to the Prime Minister on Privatisation, approved the inclusion of AKD Group Holdings (Pvt) Ltd in the consortium led by Arif Habib Corporation Ltd (AHCL), following the consortium's request.

According to a press release, the inclusion complies with the conditions outlined in the Statement of Qualifications (SOQ). The AHCL consortium is among four pre-qualified bidders participating in the ongoing privatisation process of PIACL.

The board also recommended to the Cabinet Committee on Privatisation (CCoP) the inclusion of Islamabad, Lahore, and Karachi airports in the privatisation programme. Under the proposal, airport management will be offered on a long-term concession basis to improve operational efficiency and attract investment.

For the privatisation of House Building Finance Company Ltd (HBFCL), the board endorsed a reference price and finalised the terms of the Sale Purchase Agreement for submission to the CCoP.

The HBFCL transaction is being carried out through a negotiated sale to the Pakistan Mortgage Refinance Company Ltd (PMRCL), which has been pre-qualified as a bidder. The CCoP and the federal cabinet had earlier approved proceeding with a negotiated sale to a single pre-qualified bidder in July 2023. PMRCL's bid will be opened once the reference price is approved by the CCoP and ratified by the cabinet.

Wateen's licence renewed

ISLAMABAD: Wateen Telecom Ltd, a leading ICT and connectivity solutions provider, has gotten its Long Distance International (LDI) licence renewed for another 20 years, following the resolution of a long-standing dispute with the Pakistan Telecommunication Authority (PTA).

The disagreement revolved around the Access Promotion Contribution (APC) related to the Universal Service Fund (USF). The issue was formally settled through an order of the Sindh High Court on Oct 22, endorsed by both the PTA and the Ministry of IT and Telecom.

However, several other LDI operators remain entangled in similar APC-related disputes, which have delayed their licence renewals.—Staff Reporter

US DOLLAR	BUYING Rs281.31	SELLING Rs281.85
EURO	BUYING Rs324.09	SELLING Rs327.41
GBP	BUYING Rs368.33	SELLING Rs372.24
UAE DIRHAM	BUYING Rs76.67	SELLING Rs77.44
KSA RIYAL	BUYING Rs74.96	SELLING Rs75.59
GOLD	TOLA Rs423,062	10 GMS Rs362,707

DESPITE a slight weekly dip, the Sensitive Price Index shows a persistent upward trend in the cost of living over the past 14 weeks, with several key items seeing double-digit annual increases.—PPI/file

Weekly inflation sees annual surge

ISLAMABAD: Short-term inflation, measured by the Sensitive Price Index (SPI), increased 4.18 per cent year-on-year in the week ending Nov 6, owing to an increase in the retail price of wheat flour.

The SPI-based inflation rate recorded an upward trend for the past 14 consecutive weeks. The increase is mainly driven by a surge in prices of perishable products, including onions, tomatoes, potatoes, wheat flour as well as edible oil.

It, however, declined by 0.59pc from the previous week, official data showed on Friday.

The prices of tomatoes, onions and potatoes saw an increase owing to disruption in supply due to closure of border with Afghanistan. The extraordinary spike in the retail prices of sugar, and meat also contributed in reversing the trend during the past weeks under review. The price of meat is steadily on the rise in the past few weeks.

The items whose prices increased the most over the previous week included eggs (2.40pc), bananas (2.32pc), firewood (1.61pc), diesel (1.12pc), beef (0.93pc), tea prepared (0.92pc), petrol (0.91pc), bread (0.55pc), wheat flour (0.34pc), powdered milk (0.31pc) and cooking oil 5 litre (0.21pc).

The items whose prices saw a decline week-on-week included tomatoes (37.93pc), onions (4.88pc), garlic (3.23pc), pulse gram (1.58pc), chicken (0.68pc), sugar (0.64pc), gur (0.60pc), pulse masoor (0.55pc) and LPG (0.15pc).

However, on an annual basis, the items whose prices increased the most included ladies sandal (55.62pc), sugar (43.67pc), gas (29.85pc), wheat flour (19.50pc), gur (18.88pc), firewood (14.25pc), beef (14.09pc), vegetable ghee 2.5 kg (11.53pc), onions (11.22pc), and diesel (9.29pc).

In contrast, the prices of garlic dropped 33.54pc, electricity (26.2pc), potatoes (22.3pc), tomatoes (19.6pc), pulse mash (15pc), chicken (15pc), LPG (9.1pc) and pulse masoor (4.95pc).—Mubarak Zeb Khan

Pakistan faces climate fragility, warn lenders

World Bank projects 30pc GDP loss by 2050; IMF links climate goals to reform agenda

By Mubarak Zeb Khan

ISLAMABAD: The International Financial Institutions (IFIs) have raised urgent concerns over Pakistan's escalating climate vulnerability and environmental degradation, warning that unchecked population growth and dwindling natural resources could deepen the country's fragility.

These observations and recommendations emerged during the closing plenary of the 28th Sustainable Development Conference held on Friday, where experts — including representatives from the World Bank and the International Monetary Fund (IMF) — underscored the need for immediate action.

World Bank Country Director Dr Bolormaa Amgabazar said that Pakistan faces alarmingly high vulnerability to climate change and natural disasters, compounded by escalating air and water pollution. At the same time, the country's rapid population growth — among the highest globally — is placing immense strain on its already depleting natural resources, posing serious long-term risks to environmental and economic stability.

She said that the Climate and Country Development Report by the World Bank predicted a 20-30 per cent decline in GDP by 2050, amid business as usual and no action to address climate vulnerability.

"Pre-arranged and predictable multi-year financing is the key for Pakistan in terms of emergency that should be multi-sectoral financing basically for development," she added.

Dr Bolormaa mentioned the World Bank's Country Partnership Framework, which is a $20 billion financing for the next 20 years to be available for Pakistan, and the government can decide its future interventions and projects around it.

IMF Country Representative Mahir Binici, on the occasion, said that Pakistan's newly approved $1.4 billion arrangement under the Resilience and Sustainability Facility (RSF) will play a vital role in strengthening the country's economic resilience and capacity to withstand environmental shocks.

"The initiative is aimed at integrating climate considerations into Pakistan's public financial management and fostering long-term sustainable growth," he said, adding that the RSF is operating in parallel with Pakistan's ongoing Extended Fund Facility (EFF), a three-year structural reform programme running until 2027.

"Both programmes are Pakistan's own reform efforts, supported by the Fund," Binici said, emphasising that the synergy between the two frameworks is "instrumental in placing Pakistan on a path toward stronger, more inclusive and climate-resilient growth."

Mr Binici said Pakistan is taking concrete steps to embed climate priorities into its budgetary process, starting from the next fiscal year. "Project selection under the Public Sector Development Programme (PSDP) will undergo climate screening, especially for major infrastructure investments," he added, stressing that such transparency would enhance accountability and resource efficiency.

UNDP Resident Representative Samuel Rizk said the world is witnessing a transformative phase where financing has become more appropriate and critical for ensuring sustainable development. He noted that the government is the biggest source of financing for sustainable development, chipped in by multilateral development entities and the private sector together.

Govt posts rare Rs2.12tr surplus in first quarter

Record SBP profits, 30pc jump in petroleum levy, strong provincial balances key contributors

By Khaleeq Kiani

ISLAMABAD: Backed by record interest income of the State Bank of Pakistan (SBP), a 30 per cent surge in petroleum levy collection and strong provincial cash surpluses, the government on Friday reported one of its rare fiscal surpluses — at 1.6pc of GDP — in the first quarter of the current fiscal year, slightly below last year's 1.7pc.

According to the Ministry of Finance's fiscal operations report for July-September 2025, the overall budget balance showed a surplus of Rs2.12 trillion in absolute terms, up 10pc from Rs1.896tr in the same period last year. As a share of GDP, the surplus slipped marginally from 1.7pc to 1.6pc.

Last year eventually closed with a 5.4pc deficit, as rising expenditures gradually offset the one-time impact of SBP profits.

The primary balance — the difference between total revenue and expenditure, excluding interest payments — stood at 2.7pc of GDP this year, slightly lower than last year's 2.8pc. In absolute terms, however, the primary surplus grew 8.4pc to Rs3.497tr, compared to Rs3.2tr a year earlier.

Behind these headline numbers, the report indicated weak revenue performance and limited expenditure control. Total revenues rose only 6pc to Rs6.2tr from Rs5.83tr, equivalent to 4.8pc of GDP, compared to 5.1pc a year earlier.

Tax revenues stayed flat at 2.4pc of GDP, while non-tax revenues fell to 2.4pc from 2.7pc last year. Despite this, total tax receipts grew 12pc to Rs3.15tr, compared to Rs2.77tr a year earlier.

The Federal Board of Revenue (FBR) collected Rs2.884tr, up 11pc from Rs2.563tr last year, but its share of GDP remained steady at 2.2pc.

The four provinces together mobilised Rs270bn in tax revenues, up 21pc from Rs213bn last year. They also more than doubled their combined cash surplus to Rs781bn, compared to Rs360bn a year ago — a 54pc increase.

Total expenditure in the first quarter rose 3.6pc to Rs4.08tr, from Rs3.93tr last year. As a percentage of GDP, spending edged down to 3.1pc from 3.4pc. The statistical discrepancy widened to Rs262bn from Rs117bn, apparently due to slower or delayed federal transfers to the provinces.

Current expenditure climbed 12.6pc to Rs4.07tr from Rs3.54tr but remained unchanged at 3.1pc of GDP. Within this, markup payments increased 5pc to Rs1.378tr from Rs1.31tr, holding steady at 1.1pc of GDP.

Defence spending rose 8.4pc to Rs447.5bn, up from Rs410bn last year, but declined slightly as a share of GDP — to 0.3pc from 0.4pc.

Of the total federal non-tax revenue of Rs2.984tr, down slightly from Rs2.997tr last year, the bulk — Rs2.43tr — came from SBP profits, compared to Rs2.5tr last year. These were driven by the lagged impact of the record-high 22pc policy rate. Markup and dividend income from state-owned enterprises fell 35pc to about Rs40bn from Rs62bn a year earlier.

The report attributed the 54pc rise in provincial surpluses largely to slower or last-minute fund releases from the centre. Punjab led the way, posting a record Rs442bn surplus in the first quarter — a tenfold increase from Rs40bn last year.

Sindh followed with a surplus of Rs209bn, up 37pc from Rs131bn a year earlier. Khyber Pakhtunkhwa's surplus, however, dropped 35pc to Rs77bn from Rs104bn, while Balochistan's contribution fell over 57pc to Rs54bn, compared to Rs85bn last year.

FPCCI, KCCI join hands for economic revival

KARACHI: In a rare show of unity, two trade and business representative bodies have agreed to work together for the revival and stability of the country's economy.

The Karachi Chamber of Commerce and Industry (KCCI) and the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) held a meeting at the KCCI on Friday.

KCCI President Rehan Hanif and FPCCI Senior Vice President Saquib Fayyaz Magoon underscored the need for cohesive action, collective advocacy and institutional cooperation among trade bodies to address shared economic challenges.

Mr Hanif stressed that the common problems faced by the business community must be tackled jointly. "It is essential for all chambers of commerce to unite and raise a stronger, collective voice so that the issues confronting the business community receive due attention from policymakers and are resolved in line with our shared aspirations," he said.

He urged the FPCCI to work together in resolving the long-standing issue of industrial land at Port Qasim. He also highlighted the impracticality of implementing e-invoicing and e-bilty systems, and the adverse effects of Section 7E of the Income Tax Ordinance 2001, on the real estate sector, which he said had triggered capital flight.

He said the Fata/Pata tax exemptions had created two parallel taxation regimes that needed immediate correction. As both the KCCI and FPCCI have been advocating an electricity tariff of nine cents per kWh, he added, the issue of such exemptions should also be raised jointly from a unified platform.

Saquib Magoon said that without collaboration, major issues would remain unresolved. He emphasised that the federal budget process must not proceed without formal consultation with the business community.

The FPCCI, Karachi, Lahore and other chambers should participate in budget-related discussions only when consultations are held before the finalisation of the budget document, he said, calling for a joint action plan.

Mr Magoon said the FPCCI and KCCI held similar positions on e-invoicing, e-bilty systems, Section 7E, and the Fata/Pata regime.—Staff Reporter

Bulls snap three-session losing streak

By Muhammad Kashif

KARACHI: After three consecutive sessions of losses, the Pakistan Stock Exchange (PSX) on Friday staged a modest recovery as value-hunting investors helped bulls reclaim momentum in the weekend session.

According to Topline Securities, the benchmark KSE-100 index traded largely in the positive zone throughout the day, closing at 159,592.90 — up 496.11 points, or 0.31 per cent. The rebound was driven by stronger remittance inflows in October, which rose 12 per cent year-on-year and 7 per cent month-on-month to $3.42 billion.

Major contributors to the index's rise included Mari Petroleum, United Bank, Meezan Bank, Pakistan Petroleum, National Bank, and MCB Bank, which collectively added 474 points.

Ali Najib, Deputy Head of Trading at Arif Habib Ltd, said the PSX "finally saw some respite" after a brief downturn, noting that the benchmark briefly crossed the 160,000 mark but could not sustain the level due to profit-taking and end-of-week portfolio adjustments.

Later in the day, the Economic Coordination Committee (ECC) endorsed a framework to settle outstanding dues among key state-owned entities, alongside waivers on select financial claims to support fiscal balance and tariff rationalisation. The committee reviewed the summary from the Power Division regarding tariff adjustments and payments for nuclear and government-owned power plants, as well as the Oil and Gas Development Company and Sui Northern Gas Pipelines Ltd.

Market participation, however, weakened sharply, with trading volume falling 19.68pc to 767.9 million shares, while traded value remained flat at Rs30.7 billion. First National Equities Ltd led the volume chart with 85.9 million shares traded.The PSX lost the crucial 160,000 level. Analysts said market direction in the coming week will hinge on whether the index can reclaim its consolidation zone of 160,000–170,000 points or extend its downward trajectory.

PAKISTAN STOCK EXCHANGE

THE TOP FIVERS

GAINERS		LOSERS		LEADERS*	
PIA Holding CoB	202.55	Hoechst Pakistan	116.10	First Nat'l Equities	85.90
Supernet Techno	95.24	Pakistan Services	54.16	Bank Makramah	78.13
Rafhan Maize	55.46	Premium Textile	24.78	Pace Pakistan	47.51
Pakistan Tobacco	54.78	Siemens Pakistan	19.61	Hascol Petroleum	46.48
Unilever Foods	54.58	Reliance Cotton	18.39	K-Electric	40.48

(Share values in rupees) * Volume in millions of traded shares

INDICATORS	Friday	Previous		Change
KSE 100-SHARE INDEX (Points)	159,592.90	159,096.79	▲	496.11
KSE 30-SHARE INDEX (Points)	48,297.59	48,148.75	▲	148.84
MARKET CAPITAL (Rs billion)	18,286.833	18,220.473	▲	66.360
TRADING VALUE (Rs billion)	30.735	30.446	▲	0.288

ACTIVITY

Total listed	532
Active	479
Gainers	228
Losers	203

PARTICIPANTS

Foreign	▼$2.10m
Companies	▲$0.92m
Banks	▲$0.51m
Mutual Funds	▼$1.86m
Individuals	▲$3.46m